


TO: Members of the City County Council

FROM: Bob Clifford, City Controller 

SUBJECT: 2004 Year End City of Indianapolis Financial Report

City of
Indianapolis
Bart Peterson, Mayor



Revenue Highlights

Property Tax - 97.98% of Budget received

The city learned in February 2004 when the Certification from the Department of Local Government Finance (DLGF) was issued that Property Tax revenue would be approximately 5.00% less than budgeted. The 2004 Monthly Revenue Reports have reflected that shortfall.

Tax Increment Financing - 154.10% of Budget received

The County Auditor gives the City an estimated amount of Tax Increment Revenue at the time the budget is prepared for the next year. As in the past, the 2004 estimates were under the actual amount collected. The additional revenue has allowed the City to pay down some of its debt associated with Square 74.

County Option Income Tax - 103.06% of Budget received

This line item is over \$1.3 million due to supplemental 2003 payment, which was posted to the "Rainy Day Fund".

Motor Vehicle Highway Taxes - 93.82% of Budget received

This line item was also under \$2.3 million in 2003 so the 2005 Budget has been adjusted to reflect the actual amount received in 2003 and 2004. This revenue is collected and distributed by the State of Indiana.

State Collected Distribution - 96.86% of Budget received

Auto Excise Tax is part of this line item and has a direct relation with Property Tax distribution. The reduction in property tax from the DLGF also affected the Auto Excise Tax.

State and Federal Grants - 50.56% of Budget received.

Grant Funds revenues are \$20 million less than budgeted because of \$15 million of budgeted grants not expended and \$5 million being due to the city from the Federal Government at year end.

Sewer Fees - 94.56% of Budget Received

5% shortfall of budgeted revenues is primarily in the areas of Metered Volume and Self Reporting.

Local Fees - 95.19% of Budget Received

The differences in E-911 were received in 2005.

Ordinance Violations - 149.71% of Budget Received

Revenues for alarm violations are substantially higher than originally anticipated.

Expenditure Highlights

In response to anticipated shortfalls in property tax revenues, the City implemented very strict spending guidelines in April, 2004. In addition to 2004 budget reductions which totaled over eight million dollars, the City ended the year with an additional \$19.4 of underspending. This was achieved due to the tremendous cooperation of all department heads and their staffs. Many sacrifices were made by employees throughout city government, yet no significant reductions in services occurred.

The City reduced the budget for 2005 and expects less underspending at the end of this year compared to 2004. We expect this year's budget to be extremely tight.

- **Maintenance Operations**

This fund has no net budget. All expenses and encumbrances are allocated to other funds. At year end, there were encumbrances of \$119K which were charged back to other funds, thus resulting in a negative expense but a zero net budget balance.

- **Parks General**

The unspent balance of Parks General includes about \$1.0 million of grant funds from the Lilly Endowment which were unspent at year-end. Those unspent grant dollars were re-appropriated at the January 24, 2005 Council meeting.

- **Police General**

The Police General budget was extremely tight. Due mostly to rising fuel costs, the police department overspent its character 5 budget for Internal Charges. Consequently, the December fleet service charges had to be paid from the 2005 budget. It has not yet been determined if a re-appropriation from fund balance will be requested, or if funds will simply be transferred from other characters.

Office of the City Controller

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City of Indianapolis
Office of the Controller
Monthly Status Report by Fund
Year-End 2004
(Prepared March 10, 2005)

	Original Budget	Budget Amendments	Amended Budget (Appropriation)	Current Year Expense	Current Year Encumbrances	Available Balance	Percentage of Year Remaining:	Percentage Available
Fire General	56,210,621	(473,505)	55,737,117	54,310,285	645,428	781,403	0.0%	0.0%
Fire Pension	29,582,330	(1,000,000)	28,582,330	26,468,004	0	2,114,326	1.4%	1.4%
Total Fire Service District	85,792,951	(1,473,505)	84,319,447	80,778,290	645,428	2,895,729	7.4%	7.4%
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Police General	88,935,961	1,265,000	90,200,961	89,597,917	39,811	563,233	0.6%	0.6%
Police Pension	35,440,655	1,142,000	36,582,655	36,374,684	5,000	202,971	0.6%	0.6%
Total Police Service District	124,376,616	2,407,000	126,783,616	125,972,601	44,811	766,204	0.6%	0.6%
Solid Waste Collection	30,005,245	58,977	30,064,222	25,996,172	2,465,132	1,602,918	5.3%	5.3%
Solid Waste Disposal	11,563,738	0	11,563,738	9,383,590	1,378,557	801,591	6.9%	6.9%
Total Solid Waste Service District	41,568,983	58,977	41,627,960	35,379,762	3,843,689	2,404,509	5.8%	5.8%
Sanitation General	49,055,233	(241,700)	48,813,533	45,394,363	2,860,519	558,650	1.1%	1.1%
Sanitation Sinking	8,937,432	0	8,937,432	8,802,964	0	134,468	1.5%	1.5%
Total Sanitation Service District	57,992,665	(241,700)	57,750,965	54,197,328	2,860,519	693,118	1.2%	1.2%
Redevelopment General	1,511,580	2,600,289	4,111,869	1,428,876	2,332,610	350,382	8.5%	8.5%
Federal Grants	31,927,862	8,724,135	40,651,997	23,523,949	12,633,817	4,494,231	11.1%	11.1%
State Grants	0	624,581	624,581	464,408	101,099	59,074	9.5%	9.5%
Parking Meter	1,675,603	(20,000)	1,655,603	1,001,068	622,363	32,172	1.9%	1.9%
City Cumulative	10,647,264	(250,000)	10,397,264	8,080,486	1,366,910	949,868	9.1%	9.1%
City Debt Service	409,255	0	409,255	409,255	0	0	0.0%	0.0%
Redevelopment Debt Service	17,702,278	0	17,702,278	17,661,678	0	40,601	0.2%	0.2%
Total Consolidated City District	63,873,842	11,679,005	75,552,847	52,569,720	17,056,799	5,926,328	7.8%	7.8%
Consolidated County	60,192,049	5,034,752	65,226,801	57,094,434	5,596,214	2,536,154	3.9%	3.9%
Storm Water Management	3,406,210	400,000	3,806,210	3,304,555	458,365	43,290	1.1%	1.1%
Maintenance Operations	0	0	0	(119,585)	119,585	(0)	#DIV/0!	
Transportation General	44,650,546	884,041	45,534,587	39,043,984	5,689,350	801,252	1.8%	1.8%
Park General	25,403,819	3,260,313	28,664,132	24,346,878	1,726,930	2,590,324	9.0%	9.0%
County Cumulative	4,850,000	0	4,850,000	2,202,883	2,623,744	23,373	0.5%	0.5%
Metro Thru Debt Service	10,047,713	0	10,047,713	10,046,061	0	1,652	0.0%	0.0%
Park Debt Service	1,921,531	0	1,921,531	1,917,521	0	4,010	0.2%	0.2%
Total Consolidated County District	150,471,868	15,319,340	165,791,208	142,812,834	16,214,188	6,764,186	4.1%	4.1%
Total All Funds	524,076,925	27,749,118	551,826,043	491,710,534	40,665,434	19,450,074	3.5%	3.5%

**2004 Revenues compared to Budget
as of December 31, 2004**

REVENUE SOURCE	AMENDED BUDGET	ACTUAL	VARIANCE	% OF BUDGET
Property Tax	\$ 173,862,385	\$ 170,346,529	\$ (3,515,856)	97.98%
Tax Increment Financing	38,850,000	59,869,128	21,019,128	154.10%
County Option Income Tax	48,381,360	49,862,888	1,481,528	103.06%
Storm Water Mangement	10,625,000	10,408,406	(216,594)	97.96%
Pension	23,910,500	28,589,718	4,679,218	119.57%
Motor Vehicle Highway Tax	36,973,000	34,687,880	(2,285,120)	93.82%
State Collected Distribution	26,213,466	25,391,443	(822,023)	96.86%
State and Federal Grants	40,309,589	20,379,454	(19,930,135)	50.56%
Sewer Fees	70,654,600	66,812,948	(3,841,652)	94.56%
Local Fees	11,240,967	10,700,346	(540,621)	95.19%
Ordinance Violations	658,000	985,118	327,118	149.71%
Other Revenue	64,795,319	64,345,689	(449,631)	99.31%
TOTAL	\$ 546,474,186	\$ 542,379,546	\$ (4,094,640)	99.25%

***REPORT EXCLUDES
NON-LAPSING GRANTS**